

SENATE VOTES LOANS FOR ALLIES SHIPPING TO HANOI

Ban on Export-Import Bank
Funds Could Prevent All
Credit to 18 Nations

MOVE BACKED, 56 TO 26

Dirksen's Plan to Prohibit
Help in Communist Trade
Defeated, 51 to 35

By E. W. KENWORTHY
Special to The New York Times

WASHINGTON, Aug. 10—The Senate voted today to prohibit any Export-Import Bank loans to any nation that furnishes goods or supplies to North Vietnam. The vote was 56 to 26.

This sweeping restriction came in an amendment to a bill that would extend the bank's life for five more years and increase its lending authority from \$9-billion to \$13.5-billion.

The amendment was offered by Harry F. Byrd Jr., Democrat of Virginia.

Because of the vagueness of the wording of the amendment, Administration officials were not certain tonight what the extent of its effect might be. It was considered possible, however, that if the amendment was offered in the House and approved, it could prevent Export-Import Bank loans to at least 18 allied nations until they ceased all trade with North Vietnam.

Support Is a Surprise

The administration and the opposition were surprised at the support of the amendment. Dr. Pham Huy Co, another member of the regular Saigon government, said he would begin his appeal to the public and make a speech in downtown Saigon tomorrow evening. He said he would begin his appeal to the public and make a speech in downtown Saigon tomorrow evening. He said he would begin his appeal to the public and make a speech in downtown Saigon tomorrow evening.

Release 2004/05/05 : CIA-RDP69B00369R000100240056-8
Senate Votes Curb on Nations Shipping to Hanoi

Continued From Page 1, Col. 1

sen of Illinois, that would have prohibited any loans to a Communist country for the purchase of American products or to any other country if the products purchased were for eventual use in a Communist country.

The Administration had feared that the vote on the Dirksen amendment would be much closer than it was.

The immediate object of the Dirksen amendment was to prevent a planned \$50-million credit by the Export-Import Bank for the purchase of machine tools for a large new automobile plant to be built by Fiat of Italy in the Soviet Union.

Volga River Site

The plant, which would have an annual capacity of 600,000 cars, is to be located in Togliatti, a Volga River city formerly called Stravropol. Construction has not yet begun.

It seemed possible, if not likely, that the Byrd amendment would be as effective as the Dirksen amendment in stopping a loan for the sale of American machine tools to Fiat.

The wording of the Byrd Amendment is as follows:

"The bank shall not guarantee, insure, or extend credit, or participate in an extension of credit (1) In connection with the purchase of any product by any nation with which the United States is engaged in armed conflict (whether or not there has been a declaration of war), or any agency or national thereof; (2) In connection with the purchase of any product by any nation (or agency or national thereof) the Government of which is furnishing goods or supplies to a nation described in clause (1)."

Although North Vietnam is not specifically mentioned, the inclusion of the words "whether or not there has been a declaration of war" made it clear that it was aimed at preventing export-import loans to countries trading with North Vietnam.

Mr. Byrd and Karl E. Mundt, Republican of South Dakota, who carried the brunt of the debate for the amendment, said the intent was to display American resentment of allies who shipped goods to a nation engaged in killing "American boys" and to shut off one source of United States Government loans to those allies.

Edmund S. Muskie, Democrat of Maine, who was floor manager of the bill, said that all Senators agreed with the objective of the Byrd amendment. But, he said, it raised more problems than it solved.

Roll-Call Vote in Senate On Financing Red Trade

WASHINGTON, Aug. 10 (AP)—Following is the roll-call vote by which the Senate today rejected the Dirksen amendment to ban Export-Import Bank financing of United States trade with Communist nations:

FOR THE AMENDMENT—35 Democrats—18

Byrd (Va.)
Byrd (W. Va.)
Dodd (Conn.)
Eastland (Miss.)
Eisen (N.J.)
Gruening (Alaska)
Hill (Ala.)
Hollings (S.C.)
Jordan (N.C.)
Lausche (Ohio)
McClellan (Ark.)
Montoya (N.M.)
Nelson (Wis.)
Proxmire (Wis.)
Ribicoff (Conn.)
Spong (Va.)
Stennis (Miss.)
Talmadge (Ga.)

Republicans—17

Allott (Colo.)
Baker (Tenn.)
Cotton (N.H.)
Dirksen (Ill.)
Dominick (Colo.)
Fannin (Ariz.)
Hansen (Wyo.)
Hanks (Neb.)
Jordan (Idaho)
Kuchel (Calif.)
Miller (Iowa)
Mundt (S.D.)
Murphy (Calif.)
Thurmond (S.C.)
Tower (Tex.)
Williams (Del.)
Young (N.D.)

AGAINST THE AMENDMENT—51 Democrats—37

Anderson (N.M.)
Bartlett (Alaska)
Bayh (Ind.)
Brewster (S.D.)
Burdick (N.D.)
Church (Idaho)
Clark (Pa.)
Ellender (La.)
Harris (Okla.)
Hart (Mich.)
Hatch (Utah)
Hayden (Ariz.)
Holland (Fla.)
Inouye (Hawaii)
Jackson (Wash.)
Kennedy (Mass.)
Kennedy (N.Y.)
Long (Mo.)
Long (La.)
Magnuson (Wash.)
Mansfield (Mont.)
McCarthy (Ill.)
McGovern (S.D.)
McIntyre (N.H.)
Mondale (Minn.)
Monroney (Okla.)
Morse (Ore.)
Muskie (Me.)
Pastore (R.I.)
Pell (R.I.)
Randolph (W. Va.)
Smallwood (Fla.)
Sparkman (Ala.)
Symington (Mo.)
Tidwells (Md.)
Voorhees (Tex.)
Young (Ohio)

Republicans—14

Boggs (Del.)
Brooke (Mass.)
Case (N.J.)
Cooper (Ky.)
Fong (Hawaii)
Griffin (Mich.)
Hickenlooper (Iowa)
Javits (N.Y.)
Morton (Ky.)
Pearson (Kan.)
Perry (Ill.)
Proulx (Vt.)
Scott (Pa.)
Smith (Me.)

were currently engaged in carrying on some trade with North Vietnam. Italy is one of these countries. The others are Austria, Belgium, Luxembourg, Denmark, France, West Germany, The Netherlands, Spain, Switzerland, Britain, Japan, New Zealand, Brazil, Mexico, Cambodia, Hong Kong and India.

Trade Called Minimal

Mr. Muskie emphasized that the total trade of these nations with North Vietnam last year was only \$12-million, and that obviously the shipments of most countries amounted to almost nothing.

Formerly, he said, the amount of allied trade with North Vietnam was considerably larger. The United States succeeded in scaling it down, he said, by diplomatic persuasion.

The danger was, he went on, that Congress, in order to shut off \$12-million in shipments to North Vietnam, might jeopardize the underwriting by the Export-Import Bank of hundreds of millions in loans on allied imports of American products.

John O. Pastore, Democrat of Rhode Island, attacked the amendment as too vague. He said he hoped that a change will

limited the offending shipments to "strategic materials" but had included all "goods or supplies."

Mr. Mundt said that when a nation is at war there is no real differentiation between "strategic" and "nonstrategic" goods.

Mr. Pastore, his arms waving and his voice rising to a shout, asked "What about needles?" Because a nation sold some needles to North Vietnam, should the United States thereupon refuse to make a loan to that nation, he asked.

Mr. Mundt said that needles could be a valuable item.

The arguments of Mr. Muskie, Mr. Pastore and the majority leader, Mike Mansfield of Montana, made no headway, however, against the reiterated warning of Mr. Mundt that the voters would be watching to see how their Senator voted on this amendment when American men were fighting against the North Vietnamese.

Political Effect Weighed

"The Senators," Mr. Mundt said, repeating a warning that he had made with less effect during debate on the Dirksen amendment, "are going to have to answer to their constituents."

It was evident that many Senators had that very much in mind. Voting for the Byrd amendment were several Senators, generally classified as liberals in foreign affairs, who will be up for re-election next year.

But those supporting the amendment ran across the spectrum and included "doves" as well as "hawks" on the Vietnam war.

Mr. Mundt was also in the forefront of the battle on the Dirksen amendment. He declared several times that the Senate was "voting on something second in importance only to a declaration of war."

Mr. Byrd and Mr. Mundt tried to have a vote on the Dirksen amendment put over until next week in order to rally popular support. Mr. Byrd said he was sure that if the people understood that their own money could be used to aid Communist economies, they would make themselves heard and there would be a different outcome.

Mr. Mansfield refused to delay a vote. The Senators, he said, should not be voting according to letters and petitions, but should "face up to their responsibilities" and then "go back and face the people."

He said Mr. Muskie and Spessard Holland, Democrat of Florida, should not be President and have the authority to make loans to Communist countries and nations trading with Communist countries.

The Dirksen amendment, Mr. Holland said, would freeze foreign policy for five years "when we hope that a change will take place."